

SENATE
STATE OF MINNESOTA
NINETY-SECOND SESSION

S.F. No. 1416

(SENATE AUTHORS: CHAMBERLAIN)

DATE	D-PG	OFFICIAL STATUS
02/25/2021	553	Introduction and first reading
		Referred to Education Finance and Policy
03/18/2021	972	Comm report: To pass and re-referred to Finance

- 1.1 A bill for an act
- 1.2 relating to education finance; clarifying local optional revenue; removing obsolete
- 1.3 language; amending Minnesota Statutes 2020, section 126C.10, subdivision 2e.
- 1.4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:
- 1.5 Section 1. Minnesota Statutes 2020, section 126C.10, subdivision 2e, is amended to read:
- 1.6 Subd. 2e. **Local optional revenue.** (a) ~~For fiscal year 2020, local optional revenue for~~
- 1.7 ~~a school district equals \$424 times the adjusted pupil units of the district for that school~~
- 1.8 ~~year.~~ For fiscal year 2021 and later, local optional revenue for a school district equals the
- 1.9 sum of the district's first tier local optional revenue and second tier local optional revenue.
- 1.10 A district's first tier local optional revenue equals \$300 times the adjusted pupil units of the
- 1.11 district for that school year. A district's second tier local optional revenue equals \$424 times
- 1.12 the adjusted pupil units of the district for that school year.
- 1.13 (b) ~~For fiscal year 2020, a district's local optional levy equals its local optional revenue~~
- 1.14 ~~times the lesser of one or the ratio of its referendum market value per resident pupil unit to~~
- 1.15 ~~\$510,000.~~ For fiscal year 2021 and later, a district's local optional levy equals the sum of
- 1.16 the first tier local optional levy and the second tier local optional levy. A district's first tier
- 1.17 local optional levy equals the district's first tier local optional revenue times the lesser of
- 1.18 one or the ratio of the district's referendum market value per resident pupil unit to \$880,000.
- 1.19 A district's second tier local optional levy equals the district's second tier local optional
- 1.20 revenue times the lesser of one or the ratio of the district's referendum market value per
- 1.21 resident pupil unit to \$510,000. The local optional levy must be spread on referendum
- 1.22 market value. A district may levy less than the permitted amount.

- 2.1 (c) A district's local optional aid equals its local optional revenue minus its local optional
- 2.2 levy. If a district's actual levy for first or second tier local optional revenue is less than its
- 2.3 maximum levy limit for that tier, its aid must be proportionately reduced.